PROVINCE OF SASKATCHEWAN

# 11-12

# ANNUAL REPORT

MINISTRY OF FIRST NATIONS
AND MÉTIS RELATIONS

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# Letters of Transmittal

Her Honour, the Honourable Vaughn Solomon Schofield,
Lieutenant Governor of Saskatchewan

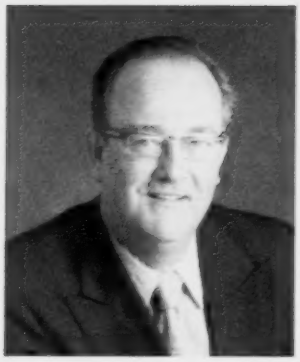
May it Please Your Honour:

I respectfully submit the Annual Report of the Ministry of First Nations and Métis Relations for the fiscal year ending March 31, 2012.

Through the 2011-12 year, the Ministry of First Nations and Métis Relations has worked hard to ensure the Government of Saskatchewan's vision of increased accountability, honouring our commitments and responsibly managing expenditures.

The Ministry finalized the new Consultation Policy Criteria under the *First Nations and Métis Consultation Participation Fund;* fulfilled its responsibilities under the Gaming Framework and the Treaty Land Entitlement processes; hosted the first ever Premiers Bear Pit Session with the First Nation leaders of Saskatchewan; and moved forward on the Northern Action Plan in support of the Government's commitments.

The Honourable Jim Reiter
Minister of Government Relations
Minister Responsible for First Nations, Métis and Northern Affairs



The Honourable Jim Reiter
Minister of Government Relations
Minister Responsible for First Nations, Métis and Northern Affairs

Dear Sir:

As Deputy Minister of Government Relations, and Deputy Minister of First Nations, Métis and Northern Affairs, I acknowledge the responsibility of my office for the accuracy and reliability of the information that is contained in the Ministry of First Nations and Métis Relations Annual Report for 2011- 12.

In recognition of its accountability to the Legislature and to Saskatchewan people for the information contained in this report, the Ministry has taken every reasonable step to follow good governance practices in compiling and relaying the information contained in the report.

Al Hilton
Deputy Minister of Government Relations
Deputy Minister of First Nations, Métis and Northern Affairs

# Introduction

This annual report for the Ministry of First Nations and Métis Relations presents the Ministry's results on activities and outcomes for the fiscal year ending March 31, 2012. It reports to the public and elected officials on public commitments made and other key accomplishments of the ministry.

Although a renewed vision and set of goals were introduced as a result of the 2011 provincial election, the 2011-12 Annual Report will be presented in relation to the vision and goals that guided the development of the 2011-12 Plan.

Results are provided on publicly committed strategies, actions and performance measures identified in the 2011-12 Plan. The report also demonstrates progress made on Government commitments as stated in the *Government Direction for 2011-12: The Saskatchewan Advantage*, the Minister's Mandate letter, throne speeches and other commitments and activities of the Ministry.

The annual report demonstrates the Ministry's commitment to effective public performance reporting, transparency and accountability to the public.

# Alignment with Government's Direction

The Ministry's activities in 2011-12 align with Government's vision and three goals:

## Our Government's Vision

A secure and prosperous Saskatchewan, leading the country in economic and population growth, while providing a high quality of life for all.

## Government's Goals

- **Sustain economic growth** for the benefit of Saskatchewan people, ensuring the economy is ready for growth and positioning Saskatchewan to meet the challenges of economic and population growth and development.
- **Secure Saskatchewan** as a safe place to live and raise a family where people are confident in their future, ensuring the people of Saskatchewan benefit from the growing economy.
- **Keep Government's promises** and fulfill the commitments of the election, operating with integrity and transparency, accountable to the people of Saskatchewan.

Together, all ministries and agencies support the achievement of Government's three goals and work towards a secure and prosperous Saskatchewan.

# Ministry Overview

## Mandate

The Ministry strengthens relationships between First Nations and non-First Nations peoples in the spirit of the Treaties, and ensures that First Nations and Métis peoples are consulted on provincial legislation and policies that may impact their legal rights and interests. The Ministry works with and beside First Nations, Métis and northern people, other provincial ministries, the federal government, local governments, and businesses to ensure that Saskatchewan Aboriginal people and Northerners have opportunities to participate in and benefit from economic and social development.

### Structure

The Ministry has four major areas:

- First Nations and Métis Affairs Division;
- Northern Affairs Division;
- Communications; and
- Finance, Accountability and Corporate Services.

The Ministry's organization chart provides more details in Appendix C.

### Office and Employee Locations

The 2011-12 Budget provided 66.0 FTEs, and actual FTE utilization is 60.9 FTEs. The reason for the underutilization was due to difficulty in recruiting into northern positions and normal staffing turnover.

### Key Programs and Services

In 2011-12, the Ministry of First Nations and Métis Relations (FNMR) fulfilled its mandate in the following ways:

### First Nations and Métis Affairs Division

The First Nations and Métis Affairs Division's activities improve outcomes for First Nations and Métis people by fulfilling mandated and legal obligations, providing policy leadership, developing partnerships with ministries, agencies, First Nations and Métis, federal departments, municipalities and the private sector. It includes the following branches:

- Lands and Consultation Branch provides policy leadership on obligations related to Treaty Land Entitlement (TLE) and the duty to consult, leads negotiations of TLE claims, coordinates implementation of TLE and Specific Claims agreements, oversees implementation of the First Nations and *Métis Consultation Policy Framework* and the *Consultation Participation Fund*;
- Strategic Initiatives Branch leads the collaboration of First Nations, Métis, industry and government in strategic processes of engagement and facilitates opportunities for First Nations and Métis economic engagement;
- Relationships and Policy Branch facilitates Government of Saskatchewan relationships with First Nations, Métis and other levels of government and supports provincial ministries in their efforts through leadership in social policy and partnership development.

### Northern Affairs Division

Northern Affairs Division activities strengthen opportunities for Northerners. The Division promotes and coordinates effective economic and social development initiatives and industry relations by providing policy and program leadership, and by fostering strategic partnerships among First Nations and Métis, northern municipalities, federal departments, community organizations and agencies, and industry:

- Economic Development Branch develops, implements and administers programs and services and policies that foster growth and development of entrepreneurs, businesses, and industries in northern communities and regions;
- Social Development Branch engages northern citizens in the development of a shared and collaborative plan of action to enhance the quality of life for people in Northern Saskatchewan;
- Industry and Resource Development Branch administers mine surface lease

agreements and monitors uranium mining developments in the north and facilitates relationships in support of the development of mining and other key northern resource sectors focusing on commercial fishing and forestry.

- Communication professionals at FNMR are committed to providing quality services to establish effective communication vehicles to reach our very diverse stakeholder groups, widely-dispersed throughout the province, ensuring everyone is engaged and has a voice in determining Saskatchewan's future.
- Finance, Accountability and Corporate Services provides financial, human resources and operations leadership and support to FNMR. In addition, the Gaming Unit manages the agreements and the relationships with First Nations Trust (FNT), Community Development Corporations (CDC), Clarence Campeau Development Fund (CCDF) and fosters economic and social development through the Gaming Agreements.

# Progress in 2011-12

## Government Goal: Economic Growth

Ministry actions supported the Government's goal to sustain Economic Growth for the benefit of Saskatchewan people, ensuring the economy is ready for growth and positioning Saskatchewan to meet the challenges of economic and population growth and development.

## STRATEGY – PROVIDE GOVERNMENT OVERSIGHT FOR EFFECTIVE CONSULATION AND ACCOMMODATION POLICY AND PARTICIPATION

### *Key Actions & Results*

FNMR is responsible to provide government oversight for effective consultation and accommodation policy and participation. Information, advice, and policy discussions are facilitated through an internal consultation network.

In 2011- 12, the Consultation Branch:

- Finalized new criteria for the Consultation Participation Fund(CPF) to add clarity and predictability for applicants and land and resource ministries. (2007 Minister's Mandate Letter);
- Combined the work plan and budget associated with an application for funding into a single template to improve efficiency and accountability;
- Provided five grants totaling $600K to First Nations and Métis groups from the Consultation Participation Fund to build knowledge of duty to consult processes and to assist with duty consultations where an action or decision of government has the potential to adversely affect Treaty or Aboriginal rights to hunt, trap, fish or carry out traditional uses; and
- Continued the implementation of the CPF with the development of Operational Procedures to provide day to day guidance to government on assessing and undertaking duty consultations. (2007 & 2010 Minister's Mandate Letters)

### *Performance Measures & Results*

**Number of First Nations and Métis organizations supported through consultation participation grants**

| Fiscal Year | Grant Amount | # of Applications Supported |
|---|---|---|
| 2011-12 | $.6M | 5 |
| 2010-11 | $1.7M | 16 |
| 2009-10 | $0.5M | 11 |
| 2008-09 | $2.0M | 44 |
| 2007-08 | $1.3M | 19 |

Source: FNMR, Aboriginal Consultation Unit

The First Nations and Métis Consultation Participation Fund (CPF) provides assistance to First Nations and Métis to participate in consultations where government activities, decisions or actions may potentially impact Treaty or Aboriginal rights. The fund has offset costs related to government consultations, such as communication, outreach, education, traditional land use, participation, information interpretation, and translation costs. Activities that generally trigger the duty to consult include:

- new legislation, policy or plans that may limit or alter the use of Crown lands and renewable resources;
- decisions that limit or alter quality and quantity of fish and wildlife or access to these resources;
- decisions related to harvesting and processing of timber or extraction and production of minerals on Crown surface lands;
- actions that restrict the use of unoccupied Crown land, for example through lease, grant or sale; and,
- land use planning and approvals for environmental protection.

# Progress in 2011-12

The Ministry has little influence over this measure as the level of economic activity in the province is a significant driver of demand for the CPF and the level of CPF expenditures. The pressures on and allocations from the CPF reflect trends in exploration and development and government regulatory change.

## STRATEGY – ADVANCE ECONOMIC DEVELOPMENT FOR FIRST NATIONS, MÉTIS AND NORTHERN PEOPLE

### *Key Actions & Results*

First Nations and Métis Relations and Enterprise Saskatchewan officials met to discuss the development of an economic development strategy for First Nations, Métis and northern people.

#### Northern Development Fund

FNMR continued to assist northern businesses and non-profit organizations by providing Northern Development Fund (NDF) loans and grants plus business consulting and support services.

The NDF was established to stimulate and support economic and business development in Northern Saskatchewan, and to encourage diversification and job creation.

The grant component provides grants for marketing, research and development; organizational development and business skills training; financial support to northern youth entrepreneurs for business skill development.

In the fiscal year ending March 31, 2012, 35 grants were approved for $228,241. Of those 35 grants, 31 grants were dispersed for a total of $188,373.

Loans are available to qualified applicants for commercial fishing, trapping and wild rice production. In the fiscal year ending March 31, 2012, 14 loans were approved for commercial fishing for a total of $82,160. The total of primary production loans outstanding is $299,294 to government.

#### Commercial Fishing

Supported Northern Saskatchewan's (estimated 600+) commercial fishers' efforts to transition from a monopoly marketing agreement with Canada to an open, competitive market and support their exploration and implementation of alternative models that will broaden processing and marketing options for their catches.

Northern Affairs participated in the inaugural meeting of Department of Fisheries and Oceans and other Freshwater Fish Marketing Agreement (FFMA) member jurisdictions from Western Canada to confirm Saskatchewan's withdrawal from the monopoly governing the processing and marketing for export of Saskatchewan commercially caught fish. As well, initial meetings were held with fish buyers, processors, and marketers to explore their interests, concerns, and plans for operations in the future open market for Saskatchewan commercial fish, effective April 1, 2012.

#### Northern Mining

Continued to manage the Northern Saskatchewan Environmental Quality Committee(NSEQC) to assist northern communities to monitor and provide input into uranium mining developments.

With cross-ministry input, Northern Affairs Division completed a working draft 'map' of the full federal/provincial environmental regulatory framework and lands disposition process for northern mining operations.

#### Improving Education and Employment Outcomes

FNMR participated in the implementation of the provincial strategy to eliminate education and employment gaps experienced by First Nations and Métis people. FNMR worked closely with the Ministry of Advanced Education, Employment and Immigration (AEEI) (lead) and Education in the development of the Saskatchewan and FSIN Agreement to establish a Joint Task Force on improving Education and Employment Outcomes in Saskatchewan which was signed

# Progress in 2011-12

in May 2011. (2010 Minister's Mandate Letter)

FNMR assisted SaskPower in the development of the First Nations Power Authority (FNPA). On March 29, 2011, a Memorandum of Understanding (MOU) to assist First Nations to advance power generation projects was signed between the Government, SaskPower and the FNPA. (2010 Minister's Mandate Letter)

Crown Investments Corporation contracted Westcap Management to manage the $3M First Nation Economic Development Fund under criteria approved by Cabinet.

In 2011-12, FNMR provided support for various research and training initiatives:

- Mining industry value chain assessment;
- Updated economic analysis for the three Enterprise Regions;
- Northern Enterprise Regions best practice review on developing high performing regional economies;
- Governance and leadership training; and,
- In partnership with Keewatin Career and Development Corporation, work was completed on a new northern business registry and updated community profiles.

## STRATEGY – STRENGTHEN THE INVESTMENT FRAMEWORK FOR NORTHERN INDUSTRY

### *Key Actions & Results*

Supported northern Enterprise Regions as a means to encourage economic development in Saskatchewan, through continued capacity building and fostering collaborative relationships and partnering among northern stakeholders.

In partnership with the northern ERs and other organizations, Northern Affairs Division co-sponsored and helped launch an inaugural Northern Economic Summit in La Ronge in May 2011 which was attended by over 200 delegates who prioritized projects to support economic growth in Northern Saskatchewan for follow up by project teams.

Support was provided to the northern ERs to advance the 14 projects identified at the Northern Economic Summit held in May 2011, as well as pursuing other regional priorities. (2010 Minister's Mandate Letter)

The NSEQC program included six uranium mine/mill site visits, three all-NSEQC meetings, three additional workshops and participation of its co-chairs in a Northern Mines Monitoring Secretariat (NMMS) meeting during the year. These activities enhanced communication between the communities, government and industry.

FNMR officials negotiated an amendment to the Cigar Lake uranium mine surface lease agreement and concluded a surface lease agreement for mining operations in Northern Saskatchewan.

FNMR worked with the Ministries of Environment and Energy and Resources to confirm their agreement as to requirements for a surface lease agreement for the rehabilitation of two uranium legacy mine site clean-up projects.

In 2011-12 FNMR continued to invest in the Conference Board of Canada's Centre for the North project research. This investment provided FNMR with input to the Centre's research priorities, as well as access to all research efforts.

## STRATEGY – FOSTER ECONOMIC AND SOCIAL DEVELOPMENT THROUGH THE GAMING AGREEMENTS

### *Key Actions & Results*

FNMR monitored and managed the Province's obligations under the First Nations Gaming Agreement with respect to the First Nations Trust (FNT) and Community Development

# Progress in 2011-12

Corporations (CDCs).

In 2011-12, $45.65M was distributed, an increase of over $4M from 2010-11 to the FNT, representing 25 per cent of the annual net profits of the two casinos operated by the Saskatchewan Gaming Corporation and 50 per cent of the annual net profits of the six on-reserve casinos operated by the Saskatchewan Indian Gaming Authority (SIGA).

In 2011-12, $15.35M was distributed, an increase of approximately $2M from 2010-11 to five CDCs, representing 25 per cent of the annual net profits of the six on-reserve casinos operated by SIGA.

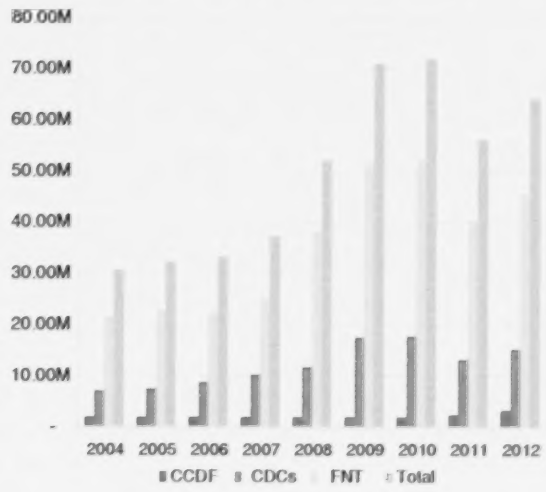
Monitor and manage the Province's obligations under the *Saskatchewan Gaming Corporation Act* and the agreement between the Province and Métis Nation – Saskatchewan with respect to the Metis Development Fund (MDF), also known as the Clarence Campeau Development Fund.

In 2011-12, distributed $3.39M to the Clarence Campeau Development Fund/Métis Development Fund (CCDF/MDF), designed to support business and community development and management skills for Métis-owned businesses and entrepreneurs. The funding formula, which was changed in 2010-11, resulted in an increase of $1.39M to the CCDF in 2011-12 as compared to the previous annual payment of $2M.

Over the last 13 years, the CCDF has approved $27M for 562 proposals to support Saskatchewan Métis businesses in over 100 different communities; leveraged over $92M from conventional sources; and created or supported approximately 1,600 jobs.

FNMR participated in the five year review of the 25 year Gaming Framework Agreement (GFA) between the FSIN and the Province. The purpose of the review is to give each party the opportunity to consider whether some adjustments to the GFA may be required. The review will be completed in early 2012-13.

### *Performance Measures & Results*




This graph measures the dollars that are provided to First Nations and Métis from gaming. These dollars are used for economic, social and other charitable purposes in all Saskatchewan First Nation communities and the area surrounding the First Nation casinos for First Nations and non-First Nation charitable purposes.

## GOVERNMENT GOAL: SECURING SASKATCHEWAN

Ministry actions support the Government's goal to secure Saskatchewan as a safe place to live and raise a family where people are confident in their future, ensuring the people of Saskatchewan benefit from the growing economy through the following strategies:

## STRATEGY - IMPROVE THE WELL-BEING OF NORTHERN SASKATCHEWAN RESIDENTS

### *Key Actions & Results*

Developed productive relationships with northern municipal, First Nations and Métis leaders, northern organizations, provincial ministries, and the federal government through

the Northern Leaders Table and Inter-Ministry Working Group to identify priorities for each of the four pillars under the Northern Action Plan – Healthy People, Educated Citizens, Safe Communities and Strong Economy. (2010 Minister's Mandate Letter)

Provided $100K in 2011-12 to support northern engagement on the Northern Action Plan through the work of the Northern Leaders Table. The Northern Social Development Branch also received $390K to support the hiring of three Social Development Coordinators in Northern Saskatchewan.

$250K was provided to the Northern Village of Pinehouse to support its Pinehouse Lake Social Development Project that is using a community-based traditional and holistic approach, utilizing community Elders to improve the physical, mental, emotional, spiritual and cultural values of all children, youth and adults in the community.

The Lac La Ronge Indian Band was given $47K to undertake a mental health and addictions needs assessment for the north. This work will draw upon past research and will explore mental health and addictions needs both on and off-reserve across Northern Saskatchewan.

FNMR provided input into Corrections, Public Safety and Policing (CPSP) "Building Partnerships to Reduce Crime" Strategy, and participated in consultations related to the development of Social Service's housing strategy, "A Strong Foundation – The Housing Strategy for Saskatchewan 2011-19".

## STRATEGY - WORK TO IMPROVE THE WELL- BEING OF FIRST NATIONS AND MÉTIS CHILDREN

### *Key Actions & Results*

Negotiations continued to move forward on the implementation of *Jordan's Principle*.

Several documents have been developed at the negotiating table including a *Work Plan, Terms of Reference for the Committee, Tracking Tool, Consent Form* and a *Communications Document*. A Dispute Resolution process between Saskatchewan and Canada is being negotiated. (2008 Throne Speech)

The Ministry actively worked with other ministries on developing Saskatchewan's Children and Youth Agenda (SCYA) in relation to First Nations and Métis engagement on government-wide initiatives:

- Child Welfare Review in support of the Ministry of Social Services;
- Autism Spectrum Disorder and Fetal Alcohol Spectrum Disorder (ASD/FASD) in support of the Ministry of Health;
- Joint Task Force on Improving First Nations and Métis Education and Employment Outcomes in Saskatchewan in support of the Ministries of Advanced Education, Employment and Immigration and Education; and,
- Saskatchewan Police and Partners Strategy to Reduce Crime and Violence in support of the Ministry of Corrections, Public Safety and Policing.

FNMR participated in the Senior Inter-Ministry Steering Committee whose work is, among other things, to recommend the goals and objectives of the SCYA, to develop appropriate outcomes and indicators to determine the success of government ministries and their partners, to develop and recommend a co-ordinated budget proposal for the SCYA, and to undertake ongoing monitoring and environmental scanning as the initiative progresses.

Participated in the implementation of the provincial strategy to eliminate education and employment gaps experienced by First Nations and Métis people. FNMR worked closely with AEEI (lead) and Education in the development of the Saskatchewan and FSIN Agreement to establish a Joint Task Force on improving Education and Employment Outcomes in Saskatchewan which was signed in May 2011. (2010 Minister's Mandate Letter)

# Progress in 2011-12

## GOVERNMENT GOAL: KEEPING PROMISES

Ministry actions support the Government's goal to keep Government's promises and fulfill the commitments of the election, operating with integrity and transparency, accountable to the people of Saskatchewan through the following strategies:

## STRATEGY - FULFILL THE PROVINCE'S LAND CLAIM OBLIGATIONS WITH FIRST NATIONS

### *Key Actions & Results*

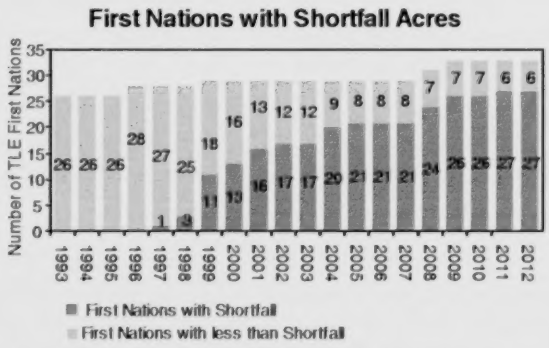
FNMR continued to support and work to fulfill Government's obligations for settlement of TLE and Specific claims:

To date, 27 of 33 First Nations have attained their shortfall acres requirement. Negotiations continued in 2011 -12 with Mistawasis First Nation, Big Island Lake Cree First Nation, Ahtakakoop First Nation and Sakimay First Nation. Ongoing collaboration, policy development and implementation with other ministries continued on First Nation land issues as they arose. (2010 Minister's Mandate Letter)

A joint technical working group was established with representation from Saskatchewan, Canada and the FSIN to address implementation issues. Two workshops were held which succeed in bringing the parties together to discuss issues of mutual concern.

### *Performance Measures & Results*

**Treaty Land Entitlement (TLE) First Nations that have achieved their shortfall acres**



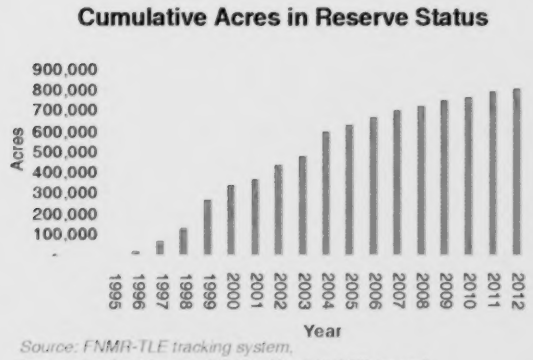

*Source: FNMR-TLE tracking system, based on schedules provided by Aboriginal Affairs and Northern Development Canada*

Progress related to this measure is a key indicator of the Ministry's success in ensuring that all provincial obligations related to TLE are fulfilled. The reserve creation process is complex and requires the cooperation of all three parties to the agreements.

Through the TLE Settlement Agreements, the 33 First Nations that have negotiated TLE must acquire at a minimum the amount of land that should have been received at the time of Treaty signing for reserve creation purposes. This is known as "Shortfall acres" and each Entitlement First Nation (EFN) has a different set amount. The EFNs must acquire and transfer their Shortfall acres to reserve status before the Treaty obligation to land will have been met. To March 31, 2012, 27 of the 33 EFNs have obtained their Shortfall acres since the signing of the *Saskatchewan Treaty Land Entitlement Framework Agreement* in 1992 and subsequent TLE Settlement Agreements. The total combined Shortfall acreage for the 33 EFNs is 547,677 and the 27 EFNs that have achieved this goal account for 457,432 acres or 84 per cent.

# Progress in 2011-12

**Creation of TLE reserve acres**




*Source: FNMR-TLE tracking system, based on schedules provided by Aboriginal Affairs and Northern Development Canada*

The chart above shows the amount of land acquired and transferred to reserve status (reserve acres) each year since the *Saskatchewan Treaty Land Entitlement Framework Agreement* was signed in 1992.

The first reserve created under the TLE Agreements was in 1994. The total amount of land that has been transferred to reserve status under the TLE Agreements is 791,675 acres with a current potential of 2.3M acres to transfer to reserve status. The 2.3M acres account for the maximum amount of acres that all 33 EFNs may acquire for reserve creation purposes. Shortfall acres are the minimum amount that must be acquired and transferred to reserve status.

All three parties to the TLE Agreements have a role in addressing outstanding issues prior to the transfer of lands to reserve status. The Ministry serves as a single window for the provincial government and coordinates the review of land pursuant to the TLE Agreements and has been responsible to ensure that all provincial interests have been addressed prior to reserve creation.

This measure, along with the previous measure, is a key indicator for the Ministry's success in ensuring that all provincial obligations related to TLE are fulfilled.

## STRATEGY – DEVELOP NEW AND STRENGTHEN EXISTING PARTNERSHIPS WITH FIRST NATIONS, MÉTIS AND NORTHERN PEOPLE AND THE FEDERAL GOVERNMENT TO ADDRESS SOCIAL AND ECONOMIC ISSUES AND OPPORTUNITIES

### *Key Actions & Results*

In May, 2011, a Saskatchewan – FSIN Bilateral Protocol Executive meeting was held and attended by the Premier and six Ministers on behalf of the Province. FSIN was represented by Chief Lonechild and Vice Chiefs Watson and Lerat. At the conclusion of the meeting, the *Agreement to Establish a Joint Task Force on Improving Education and Employment Outcomes in Saskatchewan* was signed by the Province and FSIN.

On June 8, 2011, the Province held a first ever Bear Pit session with the FSIN where all Saskatchewan Chiefs were provided with an opportunity to ask questions of the Premier and Cabinet Ministers.

The Province attended meetings with the Métis Nation-Saskatchewan (MNS) and Office of the Federal Interlocutor (OFI) to monitor progress on Bilateral and Tripartite work plans.

Provincial officials met with officials from Aboriginal Affairs and Northern Development Canada(AANDC)/OFI to discuss options for the renewal of the Urban Aboriginal Strategy. An inter-ministry committee is monitoring federal activities in this area.

FNMR met with the Regional Director General of AANDC/OFI to review provincial interests in meeting the needs of urban Aboriginal people in Saskatchewan and to discuss alternatives for the future of the Urban Aboriginal Strategy.

During the hiatus from the Meadow Lake First Nations(MLFN) negotiating table,

# Progress in 2011-12

FNMR continued to monitor self-government initiatives as much as possible, including federal initiatives around a new fiscal policy and continued to sit as an observer at the Whitecap Dakota First Nation (WDFN) negotiations.

The Province and WDFN have formed a task group to address practical arrangements outside of the self-government process while negotiations are ongoing between the WDFN and Canada.

Ministry officials continued as observers at the Treaty Table and continued to work on an internal review of its role at the Treaty Table and the implications of making changes to its role as an observer.

Due to a lack of agreement on how to approach the Exploratory Process which was approved by Cabinet in May 2010, no progress was made. However, officials from the Ministry of FNMR and other ministries continue to explore non-political, collaborative models to address environmental stewardship, economic benefit sharing, conflict resolution, and traditional use studies.(2010 Minister's Mandate Letter)

Official negotiations with the MNS on harvesting began with a two-day session in April. Two working groups were established: one on hunting/fishing and the other on the overall Framework Agreement.

FNMR continued to advise and contribute to the Ministry of Health's work and negotiations with the FSIN and Canada related to the *MOU on First Nations Health and Well-Being* as a member of the Steering Committee. (2007 & 2010 Minister's Mandate Letters)

Working with the Ministry of Justice and Attorney General, FNMR participated on the Provincial Partnership Committee on Missing Persons (PPCMP), with members from Aboriginal, police and non-government agencies. The efforts of the Committee were awarded the Premier's Award of Excellence in the Public Service in September.

### *Performance Measures & Results*

**FNMR's contribution to provincial policies and initiatives that have an impact on First Nations, Métis and northern people.**

FNMR worked with ministries and agencies regarding the development of First Nations, Métis and northern policy and partnership initiatives. The measure of success of these initiatives is often embedded in the reporting by other ministries and agencies. One of the major initiatives that FNMR participated in was the Saskatchewan Children and Youth Agenda. (2010 Minister's Mandate Letter)

FNMR is developing a survey which will be undertaken among ministries and agencies to evaluate its level of leadership in policy and its impact on partnership development.

## STRATEGY – IMPROVE THE EFFECTIVENESS AND EFFICIENCY OF THE MINISTRY'S PROGRAMS AND SERVICES SO AS TO ENSURE THE BEST USE OF PUBLIC FUNDS

### *Key Actions & Results*

Ministry officials are working on the development of an Inter-Ministry database to facilitate effective and efficient consultations.

The Consultation Branch combined the work plan and budget associated with an application for funding into a single template to improve efficiency and accountability.

The Consultation and Finance arms of FNMR participated in Lean initiatives for the Ministry. As a result of the Lean project, improvements will soon be implemented.

# 2011-12 Financial Overview

| FIRST NATIONS AND MÉTIS RELATIONS FINANCIAL OVERVIEW 2011-12 Schedule of Expense | | | | | |
|---|---|---|---|---|---|
| **Subvote**<br>Subprogram | **2010-11 Actuals 000s** | **2011-12 Estimates $000s** | **2011-12 Actuals $000s** | **Variances: Over/(Under) $000s** | **Notes** |
| **Central Management and Services (FN01)** | | | | | |
| Minister's Salary (statutory) | 45 | 45 | 45 | 0 | |
| Executive Management | 1,412 | 1,621 | 1,083 | (538) | (1) |
| Central Services | 923 | 1,033 | 1,002 | (31) | |
| Accommodation Services | 777 | 649 | 789 | 140 | (2) |
| **Policy Coordination and Support for Aboriginal Organizations (FN02)** | | | | | |
| Policy and Coordination | 1,448 | | | | |
| Support for Aboriginal Organizations and Issues | 970 | | | | |
| First Nations and Métis Consultation Capacity Fund | 1,725 | | | | |
| **Gaming Agreements (FN03)** | | | | | |
| First Nations Gaming Agreements | 53,910 | 61,697 | 61,156 | (541) | |
| Métis Development Fund | 2,512 | 3,474 | 3,387 | (87) | |
| **Treaty Land Entitlements (FN04)** | | | | | |
| Treaty Land Entitlements | 4,096 | N/A | | | |
| **Northern Affairs Division (FN08)** | | | | | |
| Northern Economic Development | 2,653 | 2,661 | 2,078 | (583) | (3) |
| Northern Development Fund- Loan Loss Provision | (14) | 0 | 0 | 0 | |
| Northern Industry and Resource Development | 900 | 972 | 897 | (75) | |
| Northern Social Development | 273 | 731 | 821 | 90 | |
| **First Nations and Métis Affairs Division (FN09)** | | | | | |
| Treaty Land Entitlements | | 3,640 | 3,359 | (281) | (4) |
| First Nations and Métis Consultation Capacity Fund | | 2,100 | 600 | (1,500) | (5) |
| Lands and Consultations | | 959 | 921 | (38) | |
| Relationships and Policy | | 1,992 | 1,896 | (96) | |
| Strategic Initiatives | | 674 | 541 | (133) | (6) |
| **Appropriation** | 71,631 | 82,248 | 78,575 | (3,673) | |
| **Amortization (FN07)** | 1 | 7 | 1 | (6) | |
| **Capital Asset Acquisition** | 0 | 0 | 0 | | |
| **Expense Sub-Total** | **71,631** | **82,255** | **78,576** | **(3,679)** | |
| Supplementary Estimates and Special Warrant Funding | - | | | | |
| Statutory Adjustment | - | | | | |
| **Ministry Expense Total** | **71,631** | **82,255** | **78,576** | **(3,679)** | |

Variance explanations are provided for all variances that are greater than five per cent and $100,000.

# 2011-12 Financial Overview

| FIRST NATIONS AND MÉTIS RELATIONS FINANCIAL OVERVIEW 2011-12<br>Schedule of Revenue | | | | |
|---|---|---|---|---|
| **Program**<br>Subprogram | **2011-12 Estimates $000s** | **2011-12 Actuals $000s** | **Variances: Over/ (Under) $000** | **Notes** |
| **Revenue** | | | | |
| Loan Interest Revenue | 126 | 56 | (70) | |
| Refunds – Previous year's Expenditure | 10 | 5 | (5) | |
| Casual Revenue | 1 | 0 | (1) | |
| **Ministry Revenue Total** | **137** | **61** | **(76)** | |

The above table outlines information on actual and budgeted expenses by sub-vote and subprogram. Variance explanations are provided for all variances that are greater than five per cent and $100,000.

## Explanations of Major Variances:

1. $350K related to a shared service agreement between FNMR Minister's office and Saskatchewan Gaming Corporation. Recovery of these FNMR salary and operating expenses were not included in the budget.
2. Actual rent charges for the year were based on space utilized by the Ministry. The budget was based on 2010-11 estimate and did not factor in additional space for 2011-12.
3. An adjustment to the Northern Development Fund loan (principle) loss provision account reduced the provision by $410K, which in turn reduced the operating expenses within the Loans and Grants program by $410K. In addition FTE vacancies throughout the year resulted in salary savings of $98K and all other operating and transfers of $75K less than budget.
4. Tax loss compensation payments were $281K less than budget as the number of acres transferred to reserve status were less than projections which were provided by the Government of Canada.
5. Use of the Consultation Capacity Fund was less than anticipated primarily due to fewer applications due to clarification of the use of the fund and fewer development activities that would trigger duty to consult.
6. FTE vacancies throughout the year resulted in $166K in salary savings and operating expenses of $2K less than budget, which were offset by $35K of transfer payments over budget.

# 2011-12 Financial Overview

## SUPPORT FOR ABORIGINAL ORGANIZATIONS

- First Nation and Métis Consultation Participation Fund: $600K. FNMR provides support to First Nations and Métis groups to enable participation in government-led consultations on permits, policies and plans that may impact their rights and interests.
- Métis Nation – Saskatchewan (MNS): $385K. The MNS is the representative organization for Saskatchewan Métis people in ongoing relations with the Government of Saskatchewan on issues of mutual interest, such as programs and services, the Government's duty to consult with Métis communities, and Métis Aboriginal rights to hunt and fish.
- First Nations and Métis Community Initiative : $149K. Provided grants to organizations in support of preserving, celebrating and promoting First Nations and Métis history and culture, as well as capacity building for First Nations and Métis organizations.

### First Nations and Métis Community Initiatives Grants as of March 31, 2012

40 grants approved by the fund total $148,850 including:

- $49,100 in Cultural Activity/Celebrations/Events grants (18 grants)
- $41,250 in Youth Leadership grants (14 grants)
- $38,500 in First Nations/Métis/Northern Women grants (3 grants)
- $11,500 in Policy/Research grants (2 grants)
- $6,000 in First Nations/Métis Veterans grants (2 grants)
- $2,500 in Literacy/Language grants (1 grant)

- Federation of Saskatchewan Indian Nations (FSIN): $25K FNMR provided $25K to the FSIN to produce a revised Child Welfare Framework and to undertake research and analysis on legislation and policy development in collaboration with the First Nations Child and Family Services Agencies.
- Women's Initiative: $70K is provided for work done by First Nations and Métis women's groups which is important to First Nations and Métis people and the social and economic development of the province as a whole. FNMR provides funding to First Nations and Métis women's organizations for policy development and program initiatives.

## GAMING AGREEMENTS ($64.39M)

- First Nations Trust(FNT) : $45.65M in funding was provided to the FNT for the purposes of economic development; social development; justice initiatives; educational development; recreational facilities operation and development; senior and youth programs; cultural development; community infrastructure development and maintenance; health initiatives; governance activities; Treaty protection; and charitable purposes.
- Community Development Corporations: $15.35M in funding was provided to the CDCs for the purposes of economic development; social development; justice initiatives; educational development; recreational facilities operation and development; senior and youth programs; cultural development; community infrastructure development and maintenance; health initiatives; and charitable purposes. The CDCs that were funded in 2011-12 were:
  - Bear Claw Community Development Incorporated $175K
  - BATC Community Development Corporation $3.16M

- Northern Lights Community Development Corporation $6.54M
- Painted Hand Community Development Corporation $1.43M
- Dakota Dunes Community Development Corporation $4.05M

- Clarence Campeau Development Fund/Métis Development Fund(CCDF) : $3.39M. In accordance with section 25.5 of the *Saskatchewan Gaming Corporation Act*, the Government of Saskatchewan made payments to the CCDF for the purposes of economic development; the achievement of full Métis representation in the provincial economy; to maximize economic opportunity for Métis people; to facilitate business ventures that lead to further employment; and to contribute to the success of Métis people and communities in Saskatchewan.

**TREATY LAND ENTITLEMENTS ($3.36M)**

- Provincial contribution to Canada for TLE Settlement Agreements in 2011-12 was $3.36M (including payments of $554K for tax loss compensation). Treaty Land Entitlement is a process whereby the federal and provincial governments are fulfilling commitments to resolve TLE claims with First Nations.

**REGIONAL OPERATIONS AND FINANCIAL PROGRAMS IN THE NORTH ($2M)**

- Northern Development Fund: $310K. The Northern Development Fund was established to stimulate and support economic and business development in Northern Saskatchewan, and to encourage diversification and job creation. The grant component provides grants for marketing, research and development; organizational development and business skills training; financial support to northern youth entrepreneurs for business skill development.

**Northern Development Fund (NDF) Grants**

- In the fiscal year ending March 31, 2012, 35 grants were approved for $228,241. Of those 35 grants, 31 grants were dispersed for a total of $188,373.
  - $45,947 (7 grants) in Youth Entrepreneurship was approved. $39,648 (6 grants) was dispersed.
  - $124,878 (16 grants) in Marketing, Promotion, Research & Development was approved. $92,674 (13 grants) was dispersed.
  - $57,416 (12 grants) in Business Skill & Organizational Development was approved. $56,051 (12 grants) was dispersed.

**NDF Primary Production Loans**

- 14 loans approved in the fiscal year ending March 31, 2012 = $82,160 for commercial fishing. Average approved loan value = $5,869
- Total Primary Production loans outstanding = $400,881 (101 Loans Outstanding)

- Northern Commercial Fish Transportation Subsidy Program: $253K. Provides financial support for the commercial fishing industry in Northern Saskatchewan through two components: a freight subsidy and a price-support mechanism. The freight subsidy helps equalize transportation costs for fishers from different regions throughout the north especially for shipments to the Freshwater Fish Marketing Corporation facility in Manitoba. The price-support mechanism compensates for reduced market prices or increased operating costs related to the harvest of one species only - mullet (suckers).

# 2011-12 Financial Overview

- Northern Enterprise Regions: $1.08M. Provided financial support to the three Northern Enterprise Regions.
- Northern Social Development: $436K. Provided financial support to lead development and implementation of a Northern Action Plan that has a primary objective of reducing suicide rates and drug use among northern youth.

# For More Information

Additional information about FNMR is available on the Ministry's website, viewable on the internet at **http://www.fnmr.gov.sk.ca**.

The website includes both general and more detailed information about the Ministry, its programs and services, and legislation for which the Ministry is responsible.

For further information about First Nations and Métis Relations or to provide feedback about the Ministry's 2011 – 12 Annual Report and its performance results, please contact us at :

Phone: (306) 787-6250

Email: **webmaster@fnmr.gov.sk.ca**

**Mailing Address**

First Nations, Métis and Northern Affairs
1020 1855 Victoria Avenue
REGINA SK S4P 3T2

# Appendix A - Legislation

The Ministry of First Nations and Métis Relations is responsible for the following legislation:

- *The Indian and Native Affairs Act*
- *The Métis Act*
- *The Saskatchewan Gaming Corporation Act, Parts III and III.1*
- *Northern Affairs Act*
- *Northern Saskatchewan Economic Development Act*
- *The Government Organizations Act*
- *The Saskatchewan Natural Resources Transfer Agreement (Treaty Land Entitlement) Act*
- *The Treaty Land Entitlement Implementation Act*
- Ministry of First Nations and Métis Relations Regulations (under *The Government Organization Act*)
- Northern Economic Development Regulations (under *The Economic and Development Act*)
- Commercial Fishing Production Incentive Regulations (under *The Natural Resources Act*)

# Appendix B - Listing of Acronyms

- **AANDC** - Aboriginal Affairs and Northern Development Canada
- **CCDF** - Clarence Campeau Development Fund
- **CDC** - Community Development Corporations
- **CIF** - Community Initiative Fund
- **CPF** - Consultation Policy Framework
- **EFN** - Entitlement First Nations
- **ER** - Enterprise Regions
- **FNMR** - First Nations and Métis Relations
- **FNT** - First Nations Trust
- **FSIN** - Federation of Saskatchewan Indian Nations
- **GFA** - Gaming Framework Agreement
- **GRF** - General Revenue Fund
- **JP** - Jordan's Principle
- **MDF** - Métis Development Fund
- **MLFN** - Meadow Lake First Nations
- **MNS** - Métis Nation - Saskatchewan
- **NA** - Northern Affairs
- **NAD** - Northern Administration District
- **NDF** - Northern Development Fund
- **NLMC** - Northern Labour Market Committee
- **NMMS** - Northern Mines Monitoring Secretariat
- **NSEQC** - Northern Saskatchewan Environmental Quality Committee
- **OFI** - Office of the Federal Interlocuter
- **OTC** - Office of the Treaty Commissioner
- **PARWC** - Provincial Aboriginal Representative Workforce Council
- **SCFL** - Saskatchewan Co-operative Fisheries Limited
- **SGC** - Saskatchewan Gaming Corporation
- **SIGA** - Saskatchewan Indian Gaming Authority
- **TLE** - Treaty Land Entitlement
- **UDP** - Uranium Development Program
- **UAS** - Urban Aboriginal Strategy
- **WDFN** - Whitecap Dakota First Nation

# Appendix C - Organizational Chart